

31 January 1963

The Situation in Cuba

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The Soviet Military Presence: On the basis of information from all our sources, we have concluded that since late October the Soviets have withdrawn 42 strategic missiles and 42 jet bombers and their related equipment, and about 5,000 military personnel probably associated with this equipment.

We believe that this represents all the strategic weapons placed in Cuba by the Soviets. Our program of aerial reconnaissance, [REDACTED]

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[REDACTED] will--hopefully--reveal any steps taken to reintroduce strategic missiles or to reactivate strategic weapons systems. Nevertheless, we are carefully examining studying all reports

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[REDACTED] for any information which might reveal a renewed Soviet offensive threat in Cuba. All such reports which are sufficiently precise to permit it are checked out regularly with the product of the aerial photography. We are fully appreciative that

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[REDACTED] reporting last summer and fall gave us our first clues on the missile/buildup in Cuba.

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Despite the withdrawals of Soviet military equipment and personnel since last fall, there is still a substantial Soviet military presence in Cuba. We estimate that some 17,000 Soviet ~~person~~ military personnel remain in Cuba, though this is at best a very rough ^{estimate} and there could be several thousands more--or fewer. There is no good evidence that the Soviets intend to reduce their military ~~strength~~ presence in Cuba to any significant degree in the near future, although the possibility remains that some of the troops may be replaced in a rotational program.

Soviet personnel are still manning the SAM sites and the cruise missile installations. Soviet pilots are operating the advanced MIG-21s and flying

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some of the other MIG aircraft in Cuba. Soviet naval personnel are probably involved with the ~~M~~ KOMAR missile boats, and in numerous other functions. In addition, some 5,000 Soviet troops are stationed in the four armored group encampments. We have noted in the photography that permanent barracks buildings have been set up at some of these ~~six~~ encampments.

What was probably the first Soviet military cargo to Cuba since last October arrived aboard the Simferopol which docked in Havana on 17 January. These reports [REDACTED] have confirmed our suspicions that the ship brought in a military cargo. They all agree that the cargo was declared to ~~be~~ contain "explosives" and two of them indicate it ~~was~~ contained supplies and equipment for military aircraft. [REDACTED]

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The Cuban Economic Situation: The Cuban economy continues to deteriorate. Inadequate supplies and poor distribution of food and other consumer goods are major ~~xxx~~ irritants among the Cuban public. Food rationing, begun formally last March, has not assured impartial distribution or adequate supplies of needed goods. While there is much grumbling among the public and occasional open protests, our information suggests that at present the shortages ~~probably~~ ~~xxxxxxx~~ probably do not represent an open inducement to revolt.

There are no signs of an improvement in the economy in the foreseeable future. Even with major aid from the Soviet Union, the prospects are dim. Present indications are that this year's sugar crop—the mainstay of the economy—will be less than last year's poor crop of 4.8 million metric tons. (This compares with an average annual crop in earlier years of close to 6 million tons.)

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Sugar prices on the free world market are now at a 40-year high. However, Cuba will benefit little from this. A good portion of its sugar exports will go to the Sino-Soviet bloc as barter for goods Cuba must import. We have no information on the ~~px~~ value given Cuban sugar in figuring the barter arrangements, but we doubt that Cuba is doing particularly well.

Negotiations were underway during much of the last three months on deciding the level of Cuba's 1963 trade with the Soviet bloc. Preliminary announcements on the negotiations have been vague and have mentioned only that trade will increase this year. If Cuban-bloc trade does, in fact, increase, this will mean that Cuba is receiving sizeable commodity credits from the bloc. Cuba's need for imports is at the same or higher levels as last year, but its ability to pay for them with exports is at the lowest point in many years.

Cuba's commerce with non-bloc countries continues to shrink. This, in turn, makes it even more expensive for the Soviets to keep Cuba afloat. Non-bloc shipping to Cuba has fallen off since the crisis to roughly a quarter of what it used to be. The bloc has responded by initiating a new shipping service to Cuba in an effort to fill the gap.

Cuba is dependent on the Sino-Soviet bloc for nearly 80 percent of its imports, including all its petroleum and an increasing proportion of its consumer goods.

Unless the bloc is willing to invest even more heavily in Cuba, some of the gaudy developmental plans worked out earlier in the Cuban-Soviet partnership will have to be deferred or scrapped in the interests of simply keeping the country afloat.

Political Developments: The most significant change in Cuban policies since the missile crisis has been the much increased emphasis given to

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the promotion of revolution in other Latin American countries. Indications continue to multiply that this program--always an element in Cuban policy--is now a high priority Cuban program.

The reasons for the increased emphasis on subversion abroad are probably several. In the first place, it is one of the few means left to Castro to whip up domestic enthusiasm for "the revolution." By telling Cubans that they are in the vanguard of ~~such~~ a worldwide revolution that will "inevitably sweep imperialism away" he attempts to give them a sense of mission and purpose and distract them from the increasingly difficult problems at home.

In the second place, it could well be a reaction against the Soviet Union and what Castro apparently felt was Soviet betrayal of Cuban interests when it withdrew its missiles from Cuba. The statements coming out of Cuba now on the importance of guerrilla warfare in the "liberation struggle" and on the necessity of violence in the anti-imperialist struggle are much closer to the Chinese Communist line than to the Soviet position. Also, there could well be an element of competition between Castro and Khrushchev for control of the Latin American Communist and pro-Communist revolutionaries.

In the third place, a successful pro-Castro revolution in another/Latin American country would be a tremendous boost for Castro at this time when he probably feels a desperate need for such a boost. The fact that Venezuela is clearly the leading Cuban target for subversion at this time lends substance to this speculation. Prior to mid-1960 Cuba received the bulk of its petroleum from Venezuelan sources; now it is wholly dependent on the Soviet Union.

Elas Roca's statement on 23 January was particularly revealing on this subject. He declared that when the Venezuelan revolution takes place, then "all Latin America will be ablaze." He added that victory in Venezuela will "give Cuba a tremendous boost...we will have a nation on the continent to back us."

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Earlier in the speech, Roca ~~declared~~ expressed Cuban appreciation for the acts of sabotage in the Venezuelan oil fields during the missile crisis. He used this as an example of "proletarian internationalism" and stated flatly that "we shall continue to give our support, each day in greater proportions, to the Venezuelan people" in their struggle for "liberation from imperialism."

One of Cuba's most effective means of subversion in Latin America is the training of thousands of students from other countries in the tactics of guerrilla warfare and in the principles of Marxism-Leninism. We estimate that at least 1,000 and probably as many as 1,500 individuals received training in guerrilla warfare in Cuba last year.

On the domestic scene, one development of major importance in the offing is the formation of Cuba's formal political party machine, the United Party of the Socialist Revolution. The party, to be modeled generally after bloc Communist parties, has been in the process of formation for many months and regime leaders have implied that it will be formally established sometime early this year. The organizational structure of the party machinery and the membership of the various party organs should tell us much about the formal nature of Cuban Communism and about the changes which must have been taking place during the past year in the relative importance of various Cuban leaders and factions.

There has been a notable increase since early this year in the number of insurgent attacks and acts of sabotage in the Cuban canefields. However, we do not believe that this activity constitutes a real threat to the regime. The acts of resistance are accomplished by only a very small minority and consist chiefly of hit-and-run raids by small bands of guerrillas. The fires in the canefields, ~~amounted to~~ a usual occurrence this time of year when the

harvest is getting underway, represent more of a harassment than a loss to the government. The fires burn off the dried leaves but the cane stalks can still be milled. Production schedules are disrupted, however, since the cane must then be ground very quickly to prevent loss of sugar content.

In general, the potential for active resistance is high in Cuba, we believe. But the regime's pervasive and effective security apparatus makes it seem foolhardy to many Cubans considering open action against the regime.